DEPARTMENT OF ECONOMIC DEVELOPMENT
SUMMARY FOR THE LEGISLATIVE FILE
ORDINANCE NO: 1264-2022

Project Name:	City Club Apartments
Project Address:	776 Euclid Avenue, Cleveland. OH 44114
Developer:	CCA CBD Cleveland, LLC and/or designee
Project Manager:	Robin Brown
Ward/Councilperson:	3 – Kerry McCormack
City Assistance:	Non-School TIF

Project Summary and Discussion

City Club Apartments ("CCA") is 100-year-old Detroit based multifamily apartment developer strictly focused on building extremely innovative and high-quality properties for long term hold and operation in the mid-west.

CCA focuses on urban mixed-use apartment communities with resort class amenities and time saving services for our residents. Despite the high level of finishes and services, CCA is able to affordably offer these units to residents earning between $40,000 and $60,000. They are design driven and technologically advanced, and are committed to social responsibility, wellness, and green living.

The project site is located at 776 Euclid Avenue (formerly part of 720 Euclid Ave.), and currently is the site of a surface parking lot. The Project Site was once the home of the iconic Hippodrome Theater. The developer is proposing a multi-story mixed-use building on the 0.5-acre site fronting on Euclid Avenue. The parcel on which the project will be built has been assigned permanent parcel 101-27-041. Construction is anticipated to be completed in 2024 and the project is expected to include approximately 250,000 total square feet of space, including over 15,000 square feet of commercial space and 304 apartment units.

The developer is committed to providing housing available to Clevelanders of many income levels and is willing to commit to providing workforce housing in this apartment community. Over 30% of units at the Project Site are anticipated to be affordable to households making approximately 90% of the Area Median Income for the Cleveland MSA. Over 2/3 of units are anticipated to be affordable for households making under $60,000 per year once the project is completed. The project's unique unit layouts and sizes allow the project to keep the price per unit lower than other new construction projects as well as in redeveloped buildings in Downtown.

Proposed City Assistance

The request to Cleveland City Council is to authorize the Director of Economic Development to enter into the chain of title for certain properties associated with the project for the purpose of entering into a non-school Tax Increment Finance (TIF)

agreement with CCA CBD Cleveland, LLC or its designee. This TIF agreement will be up to 30 years in length. The City will declare certain improvements with respect to the project to be a public purpose and exempt 100% of the improvements from real property taxes.

Under the agreement, the parcel acquired and re-conveyed to the developer will be subject to a TIF under Section 5709.41 of the Ohio Revised Code in consideration for the developer agreeing to make certain improvements to that parcel and making payments in lieu of taxes (PILOTs) equal to the taxes that would have been paid for that parcel but for the TIF. A portion of the PILOT will be paid to the Cleveland Municipal School District in the amount the District would have otherwise received but for the TIF.

This piece of legislation will allow the City of Cleveland to enter into the chain of title for the parcel that is to be included in the TIF district. A second piece of legislation will be required by Cleveland City Council for approval of the TIF Agreement.

Economic Impact

- Creation of approximately 26 new full time jobs in the City of Cleveland
- Project estimates $32,500 in new annual City tax revenue generated from residents and new employees

City Requirements

- Subject to Chapter 187: MBE/FBE/CSB requirements
- Subject to Chapter 188: Fannie Lewis Cleveland Residential Employment Law
- Subject to a Workforce Development Agreement for all new jobs
- Subject to a Community Benefits Agreement